



Tribal Health Facility Designation for Medicaid

On January 18, 2017, the Centers for Medicare and Medicaid Services (CMS) issued new guidance regarding Medicaid payment for services furnished by tribal facilities and for referrals of tribal facility patients to outside providers.¹ The purpose of the CMS guidance was to clarify the circumstances under which a tribal facility may be paid. CMS laid out the following two options and considerations for Tribal Health Facilities:

Option 1: Participate in Medicaid as a Provider of “Clinic Services” (aka **Tribal Clinic**)

Option 2: Participate in Medicaid as a **Tribal FQHC**

Option 1: Participating in Medicaid as a Provider of “Clinic Services”

- Tribal Clinic providers are entitled to the IHS/Tribal 638 All Inclusive Rate (IHS AIR) for services provided **within** the four walls of the facility.
- Tribal Clinic providers will not need to make any change in their provider status.
- Services provided **outside** the four walls of the facility will receive the regular Medicaid rate, even if they are provided pursuant to a written care coordination agreement and billed by the tribal facility.

Option 2: Participating in Medicaid as a Tribal FQHC Provider

- Services provided outside the four walls of the facility will be reimbursed at the FQHC rate if they are:
 - Furnished by a provider under contract with the Tribal FQHC facility;
 - Billed by the Tribal FQHC facility;
 - And covered by Medicaid for non-IHS/Tribal providers.
- The standard FQHC rate is a per-visit rate that is calculated based on the reasonable cost of services.
- An alternative to the standard FQHC rate may be negotiated with the State. That rate must be equal to or higher than the standard FQHC rate and can be set at the IHS AIR.
- Any alternative to the standard FQHC rate must be set forth in a State Plan Amendment (SPA); the SPA must be submitted by the State and approved by CMS by January 2021.
- Tribal Clinic facilities must notify the the Montana Department of Public Health and Human Services by January 18, 2018 if they seek to change their provider status to Tribal FQHC.

¹ CMS, FAQs on Federal Funding for Services “Received Through” an IHS/Tribal Facility and Furnished to Medicaid-Eligible American Indians and Alaska Natives (SHO #16-002), January 18, 2017, *available at* <https://www.medicaid.gov/federal-policy-guidance/downloads/faq11817.pdf>